INFORMATION LETTER

Not for Publication — NATIONAL CANNERS ASSOCIATION — For Members Only

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N.C.A. Solicits Data for 1961 Canners Directory

The N.C.A. will publish a *Canners Directory* in 1961. Forms on which canners are invited to furnish Directory data were mailed this week to all N.C.A. members and other canners.

The 1961 edition will be in the same format as the 1959 edition, containing the following information about canners: (1) name and home office address of each firm; (2) location of factories operated by each firm; and (3) canned food products which are packed and/or sold by each firm. The products to be listed are those that are for human consumption, packed in airtight containers, and sterilized by the use of heat. Such products will be listed in the terminology and sequence that are reported on the Directory questionnaire form.

Canners are urged to fill out and return the Directory questionnaires promptly, so as to facilitate the publication of the 1961 *Canners Directory*.

N.C.A. Appoints Members of Joint Arbitration Boards

The appointment of members of joint arbitration boards in 49 cities has been announced by the N.C.A. These boards, which are authorized by the N.C.A. Rules of Arbitration, provide a uniform arbitration procedure for the settlement of all controversies arising out of the sale of canned foods to which a canner is a party.

These boards, which are appointed annually, consist of about six members each. With a few exceptions, each board includes three food brokers nominated by the National Food Brokers Association and three wholesale grocers nominated by the U. S. Wholesale Grocers Association and the National-American Wholesale Grocers Association, respectively. All appointments (and reappointments) are for 12 months or until such time as new appointments are announced by the N.C.A.

Copies of the list of new members of the joint arbitration boards are being mailed to all canners, food brokers, and wholesale grocers, together with copies of the Rules of Arbitration as amended in 1960 (see INFORMATION LETTER of Jan. 30, 1960, page 10).

The N.C.A.'s letter to canners, food brokers and wholesale grocers also recommended that an arbitration clause be made a part of all canned food sales contracts, and enclosed a suggested form of wording for inclusion in sales contracts.

Wage-Hour Hearings Ended in House, Planned for Senate; N.C.A. Opposes Curtailment of Canners' Exemptions

Unequivocal opposition to the Administration's attempt to curtail the canning exemptions contained in sections 7(b)(3) and 7(c) of the Fair Labor Standards Act has been expressed to the Congress by the N.C.A.

In a strongly-worded statement filed on February 24 with the Special Subcommittee on Labor of the House Committee on Education and Labor, the N.C.A. objected to the provisions of H.R. 3935 (Roosevelt) which would reduce fruit and vegetable canners' total exemptions from the overtime pay requirements of the Act from 28 weeks to 20 weeks.

A similar statement will be filed next week with the Senate Subcommittee on Labor concerning S. 895 (McNamara), an identical bill. (A description of the Administration bill's effect on all canners was contained in the INFORMATION LETTER of February 11, page 95.)

In its statement the Association declared that "there is no rational basis for the discriminatory proposal to cut back the canning industry exemptions from 28 to 20 weeks. No facts have been presented that justify the payment of overtime in the canning industry, or that support different statutory treatment for that industry and other agricultural processing industries. . . ."

H.R. 3935, the N.C.A. pointed out, would not affect the overtime exemptions presently granted by section 7(c) of the Act to first processing of dairy products, ginning and compressing of cotton, processing of cottonseed, and processing of sugar beets, sugar-beet molasses, sugarcane, or maple sap into sugar or sirup. "There is no suggestion (in the bill) that these industries should be subjected to the payment of overtime, *nor should there be;* for employers in these industries, *just as canners of fruits and vegetables,* cannot control the time of the year or hours of the day when the raw product is available for processing."

Public hearings on H.R. 3935 by the Special Subcommittee on Labor of the House Committee on Education and Labor were held on February 17, 20, and 21. Secretary of Labor Goldberg, the first witness, acknowledged that the Administration's bill would reduce the size of the canning exemptions; however, he did not explain, even under questioning, the reasons for the proposed reductions.

William F. Schnitzler, secretary-treasurer of the AFL-CIO testified,

N.C.A. Comments On Color Additives Regulations

The N.C.A. filed with the Food and Drug Administration on February 23 a statement listing comments and objections to several provisions of the proposed regulations for interpretation and administration of the Color Additives Amendment of 1960. The FDA proposal was published in the *Federal Register* of January 24, and was reproduced as a Supplement to the N.C.A. INFORMATION LETTER of February 11. Objections listed in the N.C.A. statement applied to only a few of the numerous provisions of the proposed regulations.

"We are glad that the Administration would cut the seasonal exemption on hours for workers engaged in the first processing of seasonal crops. But we feel this provision (of the bill) should be strengthened so that employers can claim only one 14-week exemption instead of two."

Executive sessions of the Special House Subcommittee on Labor, for the purpose of "marking up" the wage-hour bill, began on February 23. They are expected to continue next week, and it is anticipated that a bill will be reported to the full Committee on Education and Labor before the end of the week. Rep. James Roosevelt (Calif.) is chairman of the Subcommittee which includes representatives John H. Dent (Pa.), Roman C. Pucinski (Ill.), Neal Smith (Iowa), William H. Ayres (Ohio), Edgar W. Hiestand (Calif.), and C. E. Goodell (N. Y.).

Public hearings by the Senate Labor Subcommittee on S. 895, a bill identical to H.R. 3935, will begin on February 28. Only four days of hearings have been scheduled. Senator Pat McNamara (Mich.) is chairman of the Subcommittee which includes Senators Wayne Morse (Ore.), Jennings Randolph (W .Va.), Benjamin A. Smith (Mass.), Claiborne Pell (R. I.), Barry Goldwater (Ariz.), Everett Dirksen (Ill.), and Winston L. Prouty (Vt.).

Following are selected excerpts from the N.C.A. statement to the House Committee:

"The conditions that called for the inclusion of the canning exemptions in 1938, and that prompted repeated Congressional refusal to remove or curtail the exemptions from the Act, continue to be applicable today. No showing has been made to support the application of penalty overtime to an industry that cannot control working hours during the packing season, and that must rely upon whatever labor is available in areas typically short of manpower at that time.

"Congressional debates, hearings and reports make it unequivocally clear that the 40-hour maximum workweek was written into the Fair Labor Standards Act of 1938 in order to spread employment and to establish a year-round regular workweek for as many employees as possible. These ends were to be effected by the imposition of penalty overtime upon employers who employed workers in excess of the statutory limit. This theory of spreading work by requiring the payment of penalty overtime necessarily was founded on the assumption that two basic conditions existed:

(1) Employers can control working hours and spread production evenly over all the weeks of the year;

(2) Labor capable of doing the work is in plentiful supply, and is available on a year-round basis.

"These two conditions, fundamental to the application of penalty overtime, plainly do not exist throughout the canning industry.

"It goes without saying that canning operations can be carried on only when the raw product is available. Despite every effort that has been made by canners to mechanize their operations, no way has yet been found to account for and control the natural conditions that determine when fruits and vegetables will be available for processing.

"For most products, the canning season is of relatively short duration and the production for an entire year must be packed in a few weeks or a few months. As soon as packing operations for one product are completed, most, if not all canners immediately begin packing another product.

"It is not only the brief, and sometimes unpredictable, length of the canning season, however, that complicates packing operations. Within the season, the raw product does not become available on a regular or controllable basis. Here again natural factors alone will determine on what day, and at what hour the raw product should be packed.

"If quality is to be maintained, and waste avoided, fruits and vegetables must be harvested at the precise time when nature, with some help from man, has produced an ideal product for canning. Once harvested, the product must be rushed to the canning lines, and packed as quickly as possible. Delay may cause serious deterioration, and perhaps lead to loss of the entire crop.

"Canners have engaged in extensive research in order to predict more accurately, and even to control the date when the raw product is ripe for canning, but despite every effort in this regard the uncertainty of nature ultimately frustrates these endeavors. On some days canning operations can be carried on for eight or ten hours, but more often the plant must operate around the clock in order to handle all of the available raw product, if the product is to be packed without waste or loss of quality.

"Along with this need for operating at peak production for many of the weeks in the canning season, most canners are faced with the problem of obtaining sufficient labor. Canning plants are typically located in rural areas, close to the raw product, where surplus labor is seldom available. Many cannery seasonal employees are women who earn no other wages during the year, but who work in the canning plants during the season to provide a necessary supplement to family income. Others are transients who move from region to region in order to take advantage of staggered canning seasons.

"Thus, the canner's problem is to take advantage of all possible local labor, and to obtain whatever other help he can. Another complicating factor is that the overtime is necessarily irregular and unpredictable, making the operations of regular second and third shifts difficult and undependable.

"There can be little doubt that the effects of requiring canners to pay penalty overtime for a part of the season would be to decrease the total income of the citizens in canning areas, to encourage the importation of migratory labor, and in some instances to remove entirely a vital source of employment.

"The curtailment of the canning exemptions would likewise seriously injure growers and their employees. Canners finding it necessary to reduce operating hours would of course cut down on purchases of the raw product, thereby removing a significant portion of the growers' available market.

"A third group who would be hurt by the curtailment of the canning exemptions would be consumers. It is of course acknowledged that every extension of wage and hour requirements proportionately increases the cost of goods to consumers. This increase is accepted by the proponents of extension as the necessary consequence of such legislation. But if that extension cannot in fact accomplish the desired effects, then there can be no justification for legislation that contributes to inflation."

Food Additives Legislation

The House Committee on Interstate and Foreign Commerce has scheduled a one-day hearing February 28 on H.R. 3980 (Harris), the Administration's bill to extend further the final effective date of the Food Additives Amendment of 1958 beyond March 6, 1961 (see INFORMATION LETTER of Feb. 18, page 103).

Mexican Farm Labor Program

Hearings on H.R. 2010 (Gathings), a bill to extend the Mexican farm labor program until December 31, 1965, have been scheduled March 6-9 by the Manpower subcommittee of the House Agriculture Committee.

Authority for the present program was extended by the 86th Congress until December 31, 1961.

Canning Crops Winners May Attend Youthpower Congress

Better nutrition habits for teenagers is the keynote of the three-day Youthpower Congress, March 9-11, in Chicago. Attending the sessions in the Palmer House will be representatives of the N.C.A. and of several canning firms that are members of the sponsor organization—the National Food Conference, a group of 54 companies and associations representing various facets of the food industry.

Some 250 youngsters in the 13-19 age group are delegates from across the nation, along with their adult chaperones from schools, food firms, civic organizations and youth groups. Among them will be some of the winners and placers of the annual Canning Crops Contest, joint project of N.C.A. and the National Junior Vegetable Growers Association.

Attendance eligibility for the 1961 National Youthpower Congress had been held entirely to delegates selected by the state committees of the American Farm Bureau Federation, but the Association was advised February 23 that national, regional and state winners of the Canning Crops Contest would be welcome. The Youthpower Congress will pay hotel and meal expenses of any canning crops winners sent, but the individual canning firm would be obliged to pay their travel expenses and both the travel, meals and lodging expenses of necessary chaperones.

If interested in sending their canning crops winners to Chicago, canners should give full particulars by March 3 to Arthur W. Seeds, managing director, National Food Conference, 2300 Merchandise Mart, Chicago 54, Ill.

Milan D. Smith, 1960 President of N.C.A., will represent the Association at the Congress and Nelson H. Budd, Director of the Information Division, will serve in the press room, preparing publicity for the canning crops winners present, whose attendance is sponsored by N.C.A. members. Publicity phases of the contest are handled under the N.C.A. Consumer and Trade Relations program. This week the Information Division urged attendance and coverage of the Congress by certain of the leading youth magazines and canning trade journals. Samples of N.C.A. literature dealing with nutrition and the operation and public service of canning will be on display in a special section of exhibits.

The program is designed to stress good nutritional practice for the young delegates, to be carried over into their adult lives. Another phase is to bring forth a better understanding of the food industry as a whole to the adult as well as the teenage public, and to inform about the various steps in processing food, from farm to table.

Certain of the N.C.A. member firms, with Chicago locations, will host visits of the youngsters to their respective plants.

Keynote speaker is Dr. Charles Glen King, executive director of the Nutrition Foundation, Inc., who spoke at the recent N.C.A. Convention and is familiar with the nutrition programs of N.C.A. and the canning industry. Another speaker attraction is the Reverend Robert E. Richards, Olympic pole vault champion, and now a minister and youth leader. Panels, discussion sessions, and other program features, led by various industry and educational experts, will deal with these subjects:

Food and the Community, Food for Health and Fitness, Food for Fun and Happiness, Food for Health and Fitness, Food Industry Careers, Food and Nutrition, and Food for Family Mealtime.

USDA Food Distribution

Secretary of Agriculture Freeman has offered the full assistance of USDA food distribution specialists to expand and improve the food donation program for needy families.

As of February 14 the program was operating in 43 states; the states not participating were Alaska, Florida, Hawaii, Idaho, Oregon, South Carolina, and Washington. USDA's latest estimates indicate that in March the number of needy persons eligible for donated commodities will reach at least 5.3 million.

USDA food donations include canned pork and gravy, dry pea beans, dried eggs, peanut butter, butter, lard, flour, cornmeal, dry milk, rice, frozen cut chickens, and rolled oats.

Charles A. Shuttleworth

Charles A. Shuttleworth, president of Shuttleworth, Inc., Warren, Ind., died there February 19 after a short illness. He also was head of the Shuttleworth Machinery Corp., a supply firm.

Mr. Shuttleworth had just completed a three-year term on the N.C.A. Board of Directors. He also had served on the Simplification of Containers Committee.

Canning Industry Represented at Meeting on Two-Way Radio

The ninth annual meeting of the Special Industrial Radio Service Association was held this week in Bakersfield, Calif. Austin J. Hayden of the Green Giant Company, the SIRSA president, presided at the two-day meeting. Two-way radio users from industry and manufacturers of two-way radio equipment discussed current radio problems and new equipment and communications systems under development.

At a meeting of agricultural radio users the filing of a petition by the SIRSA before the FCC relative to amending the special industrial eligibility and permissible communication rules concerning agricultural users was approved. Such a petition has since been filed with the FCC.

Ray Weaver of Minute Maid Corporation was elected president of SIRSA for 1961. Dr. Edwin A. Crosby, Assistant Director of the N.C.A. Raw Products Research Bureau, was elected treasurer of the group.

Also present at the meeting was Carl A. Barnes, California Packing Corporation.

Key speaker at the luncheon meeting February 20 was Robert E. Lee, member of the FCC. Commissioner Lee addressed the group on "Prospects of More Spectrum Space for Mobile Radio." Mr. Lee has long been an advocate of a program for moving commercial television broadcasting from the VHF to the UHF channels so as to make possible the allocation of many new frequencies to special industrial and similar services.

Good Housekeeping

"Rice can be a surprise!," a food article in the February issue of *Good Housekeeping* magazine, features canned foods in many of the rice recipe suggestions.

The canned foods suggested to be teamed with rice include Cranberry Does It: jellied cranberry sauce; Vegetable Rice: whole kernel corn, mixed vegetables; Treat For Lunch: mushroom, chicken and beef gravy, cream of mushroom soup; For A Bit Of Crunch: mushrooms, pineapple tidbits.

Also, Something Creamed: tuna; For Flavor Plus: chicken and beef broth, consomme, apple juice; Tomato Rice: tomato juice, vegetable juice cocktail; Curried-Pineapple Rice: pineapple tidbits; and Peach Rice: peach halves.

N.C.A. Staff Members Active at Canners' Technical Meetings

Members of the N.C.A. staff have been active in a number of canning industry meetings in recent weeks. Following is a summary of their participation:

Dr. Howard L. Stier, Director of the Division of Statistics, took part in two sessions at the Statistical Quality Control and Instrumentation Workshop at Cornell University February 2-3. The meeting was sponsored by the New York State Canners and Freezers Association, Western New York Section of IFT, and Cornell.

The two-week short course for fieldmen at the University of Maryland, College Park, was addressed by both Dr. Stier and Dr. C. H. Mahoney, Director of the Raw Products Research Bureau. Dr. Stier spoke on the "Economics of Production," and Dr. Mahoney spoke on the industry's Pesticide Screen Program. The Fieldmen's School was sponsored, in part, by the Tri-State Packers Association.

The Ohio Canners' Short Course for Growers, Fieldmen and Processors at Columbus February 6-8 had participation by Dr. Mahoney, Assistant Secretary R. B. Heiney, and James W. Bell of the Washington Laboratory. Before an audience that included some 40 growers Dr. Mahoney described the Protective Screen and emphasized the importance of cooperation to protect against contamination. Mr. Heiney spoke on current prospects for labor procurement, labor problems, and labor legislation. Mr. Bell spoke on sanitation practices in food processing establishments.

Mr. Heiney also attended the annual conference on farm labor held by the USES, at which recruitment requirements and practices were discussed, in Cincinnati February 6-9.

At the Wisconsin Canners and Fieldmens School, February 8, Dr. Mahoney described the increasing attention being given to methods of controlling insects on sweet corn.

At the Indiana Canners and Fieldmens School, February 14, Dr. Mahoney spoke on mechanical harvesting of tomatoes from the processor's viewpoint. He also participated in a panel on Drosophila control.

Four members of the staff were on the program at the Food Processors Workshop held at the University of Maryland February 15-17, with sponsorship by the Tri-State Packers Association. The speakers and their topics were Dr. Stier on "Coordinating Production and Sales To Meet Changing Market Situations;" Dr. Mahoney on "Where We Stand with Pesticide Residues;" C. A. Greenleaf of the Washington Laboratory on "Where We Stand with Food Additives;" and Gerald R. Bee of the Washington Laboratory with a report on results and status of N.C.A.'s retort survey.

James M. Reed and Gerald R. Bee of the Washington Laboratory gave instruction at the University of Georgia Short Course for Retort Operators, at Athens February 14. The school was sponsored by the Georgia Canners Association and container and instrument suppliers.

Meat Canned in January

under Federal Inspection

(Agricultural Marketing Service of USDA)

	3 Lbs. & over	Under 3 Lbs.	Total
	(thousands of pounds)		
Luncheon meat	12,519	10,961	23,480
Canned hams	27,212	337	27,549
Beef hash	556	5,074	5,630
Chili con carne	1,048	14,723	15,772
Vienna sausage	255	4,099	4,354
Frankfurters and wieners in brine	3	1,334	1,338
Deviled ham	.....	826	826
Other potted and deviled meat products	.....	2,949	2,949
Tamales	229	2,271	2,500
Sliced, dried beef	64	189	253
Chopped beef	28	595	623
Meat stew	497	11,209	11,706
Spaghetti meat products	332	9,850	10,182
Tongue (not pickled)	43	127	170
Vinegar pickled products	886	1,202	2,088
Sausage	.....	426	426
Hamburger	629	6,394	7,023
Soups	5,011	52,811	57,822
Sausage in oil	321	311	631
Tripe	8	227	235
Brains	.....	159	159
Loins and picnics	2,701	107	2,808
All other products 20% or more meat	752	5,833	6,586
All other products less than 20% meat (except soup)	821	21,999	22,820
Total	53,916	154,013	207,929

Columns do not add to totals shown in all cases since rounded figures are used. Amounts packed for defense are not included in these items. Total production, including quantities for defense agencies, was 215,415,000 pounds.

Canners' Stocks of Canned Foods Feb. 1 and Season Shipments

(N.C.A. Division of Statistics)

	Carry-over month	Supply 1959-60	Supply 1960-61	Canners' Stocks, Feb. 1 1960	Canners' Stocks, Feb. 1 1961	Season Shipments to Feb. 1 1960	Season Shipments to Feb. 1 1961
		(thousands of actual cases)					
Green and wax beans	July	30,574	30,676	13,259	12,927	17,314	17,748
Corn	Aug.	42,823	37,374	20,904	16,783	21,919	20,591
Peas	June	38,070	33,248	16,307	11,952	22,363	21,296

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